

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: VERIZON-RHODE ISLAND'S :  
PERFORMANCE ASSURANCE PLAN : DOCKET NO. 3256  
FOR RHODE ISLAND :

ORDER

On April 22, 2002, Verizon-Rhode Island ("VZ-RI") filed a motion for partial relief from Order No. 16809 issued by the Commission on December 3, 2001. VZ-RI requested that it be permitted to provide payments to Competitive Local Exchange Carriers ("CLECs") under the Rhode Island Performance Assurance Plan ("PAP") in the form of bill credits instead of by check as required by the Order. VZ-RI noted that it has updated its New England billing system. Accordingly, New England CLECs will be able to specifically identify the portion of their wholesale bill from VZ-RI that reflect any PAP credits so that the CLECs can verify the information. VZ-RI argued that by granting the requested relief, VZ-RI will be relieved of an administrative burden and its obligations will be more consistent with those in other Verizon states.

On May 2, 2002, the Division of Public Utilities and Carriers ("Division") urged the Commission to delay consideration of VZ-RI's motion until CLECs have had an opportunity to evaluate VZ-RI's initial PAP Market Adjustment Summary Report. The Division argued that the level of bill credit information proposed by VZ-RI falls short of CLECs' needs. Although a PAP Market Adjustment Summary Report may provide the level of credit detail needed by CLECs, CLECs in Rhode

Island have not yet received this report from VZ-RI. In conclusion, the Division urged the Commission to postpone action on VZ-RI's motion for a maximum of 30 calendar days after VZ-RI issues the initial PAP Market Adjustment Summary Report to CLECs and then allow CLECs the opportunity to comment on VZ-RI's motion.

On May 17, 2002, VZ-RI replied to the Division's objection. VZ-RI stated that if consideration of its motion is delayed, VZ-RI would incur the administrative burden of distributing checks to CLECs. Also, VZ-RI noted that even in the absence of the PAP Market Adjustment Summary Report, the billing information provided to CLECs will allow them to identify PAP payments. In addition, VZ-RI explained that CLECs in Rhode Island have already received copies of VA-RI's March 2002 PAP Report, which provides preliminary bill credit calculations for RI CLECs. In addition, many CLECs in Rhode Island do business in Massachusetts, which allows PAP payments by means of bill credits and therefore, such CLECs are familiar with PAP Market Adjustment Summary Reports. Lastly, VZ-RI emphasized that not one Rhode Island CLEC had expressed concern or opposition to VZ-RI's motion.

At an open meeting on May 30, 2002, the Commission reviewed the pleadings of the parties and granted VZ-RI's motion for partial relief. The Commission noted its efforts in this docket to balance the benefit of establishing uniformity throughout Verizon's service territory with the creation of unique performance standards of specific benefit to CLECs

doing business in Rhode Island.<sup>1</sup> In this instance, the recent adoption of Verizon's New York-style billing systems in New England will allow uniformity to exist throughout Verizon's service territory. In addition, no Rhode Island CLEC has indicated that bill credits are insufficient to meet its needs. In all likelihood, many Rhode Island CLECs are sufficiently familiar with Verizon's bill credit format because these CLECs have also been doing business in Massachusetts, where Verizon-Massachusetts' PAP has been in effect for a year. In addition, the Commission noted that the issuance of bill credits instead of checks to CLECs may be more appropriate in light of the large number of CLEC bankruptcies. The use of bill credits instead of checks could avoid an increase in VZ-RI's uncollectible accounts with CLECs. Lastly, the Commission reserved its right to revisit the issue and require changes relating to VZ-RI's billing information and/or bill credit format if CLECs encounter problems with identifying or verifying the calculation of PAP payments .

Accordingly, it is

(17080) ORDERED:

1. Verizon-Rhode Island's motion for partial relief from Order No. 16809 is hereby granted.

EFFECTIVE AT WARWICK, RHODE ISLAND ON MAY 30, 2001  
PURSUANT TO AN OPEN MEETING DECISION. WRITTEN ORDER  
ISSUED JULY 29, 2002.

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<sup>1</sup> Order No. 16809 (issued 12/3/01), p. 38.

PUBLIC UTILITIES COMMISSION

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Elia Germani, Chairman

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\*Kate F. Racine, Commissioner

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Brenda K. Gaynor

\*Commissioner Racine dissented indicting that she supports the Division's position in this matter.